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TAGS: [ECON](#) [KCOR](#) [PGOV](#) [PREL](#) [IZ](#)
SUBJECT: PM,S OFFICE NOTES PROBLEMS WITH THE ANTI-CORRUPTION
SYSTEM IN IRAQ

Classified By: Classified By: CHARGE D' AFFAIRES, A.I., DANIEL SPECKHAR
D, FOR REASONS 1.4 (B) and (D).

¶1. (C) SUMMARY: During a meeting on September 14 with the State Department Inspector General, Charge, and EconCouns, the Prime Minister's Chief of Staff remarked corruption is equal to the dangers of terrorism, and asked for U.S. assistance to solve Iraq,s corruption problem. He noted the controversy with the CPI throwing people in jail with minimal evidence, and further stated the anti-corruption structure in Iraq may need to be changed. The State IG mentioned the Embassy is planning to create advisor positions to each of the three major anti-corruption institutions with an overall coordinator under one umbrella office, and asked if the GOI would consider creating a similar structure to oversee an integrated effort. END SUMMARY

PM Promotes Increased IG Independence

¶2. (C) On September 14, State Inspector General Howard Krongard, Charge D' Affaires Daniel Speckhard, State Deputy Inspector General William Todd, and Economic Counselor Daniel Weygandt met with the Prime Minister,s Chief of Staff (PM COS) Dr. Tarik Najem Abdullah to discuss anti-corruption efforts in Iraq.

¶3. (C) The PM's COS Dr. Tarik stated the PM is interested in creating a new organization for the IGs, and on August 23 in a meeting with all of the Iraqi IGs, the PM tasked the IGs to create new bylaws to make them more independent. We heard that during this meeting, the PM stated he wants to change CPA Order 57 to rescind Ministers' firing authority of IGs and instead, give hiring and firing authority to the PM. Dr. Tarik further stated adjudicating cases in the courts has been a problem because of mistakes made in investigations. The COS said these issues may be related to the structure of the government, and noted that the anti-corruption system has deteriorated over the last two months.

¶4. (C) Dr. Tarik asked if it would be better for the IGs to be a separate body. The State IG said he could give options for hiring and firing authority, independence, the IG's budget, and other issues, but the GOI would have to decide what works best with Iraq's system, culture, and objectives. The Charge added that the anti-corruption institutions probably should not be completely free-standing organizations, and that further definition of the authorities and roles was necessary, keeping in mind a discussion of responsibilities as well as the need for checks and balances.

One Reason for Lack of GOI Budget Execution

15. (C) Dr. Tarik said the Commission on Public Integrity (CPI) has created a situation impeding the work of the government where people are afraid to do their jobs, and is causing delay in disbursement of the government budget (see comment at end of telegram). The Charge noted the GOI needs to focus on adjudicating obvious corruption cases across sectarian lines. To date, lack of transparency and a sense of bias have created an underlying current of fear in the lower and mid-level part of the bureaucracy. This has caused officials to avoid signing documents related to expenditure of funds and has undermined the ability of the GOI to execute their budget. This prosecution of some individuals while other "bigger fish" are left untouched adds to the sense of an unfair application of the law. The Charge stressed the GOI needs to build a more transparent system that highlights the non-sectarian impartiality. They can begin by prosecuting senior officials across sectarian lines. Dr. Tarik agreed, stating sectarianism is a problem and the PM is trying to show hiring is not based on sectarianism.

PM COS: Dr. Adel, He's Our Man

16. (C) In June, the Ministry of Health IG and elected IG Chairman Dr. Adel Muhsin Abdullah, nominated himself to become the PM's Anti-Corruption Coordinator. Although we agree a position to coordinate the three institutions is not a bad idea, we have reservations with Dr. Adel filling this role. The coordinator position should be held by someone who is independent from the three institutions to limit the appearance of bias. Dr. Adel's appointment was made in a non-transparent manner, with no input from the Board of Supreme Audit (BSA), CPI, nor any other IGs. This has caused tension between Dr. Adel, some IGs and the other

anti-corruption institutions, namely the CPI. The CPI's Commissioner Judge Rhadhi al-Rhadhi and Dr. Adel have opened up corruption investigations on each other in an effort to have the other removed from office and/or jailed.

17. (C) The State IG informed Dr. Tarik that the Embassy is planning to create advisor positions to each of the three main GOI anti-corruption institutions (an advisor to the CPI already exists), with an overarching coordinator. The State IG asked if the GOI would consider creating a similar structure, stating he understood Dr. Adel is the IG coordinator, and asked who would coordinate all three organizations. The PM's COS replied Dr. Adel was selected to be the overarching anti-corruption coordinator, has been the MOH IG for two years, and was elected to be the Chairman of the IGs. (Note: The letter appointing Dr. Adel on July 20 as the Anti-Corruption Coordinator was signed by Dr. Tarik, not the Prime Minister himself. EmbOffs learned in a September 16 meeting with Judge Rhadhi that Dr. Adel got Dr. Tarik his job as PM COS. End Note)

18. (C) In a separate September 14 meeting, the State IG asked the BSA President Dr. Abdul Basit his thoughts of the role of IGs in Iraq. Dr. Basit remarked that a few days ago he received a letter from Dr. Adel not to send a copy of a BSA audit report on the MOH and its activities. Dr. Basit continued "As long as they exist, I have to support them, but I do not think they are effective."

Other IG Issues

19. (SBU) The State IG inquired about two issues previously raised by Iraqi IGs: 1) Iraqi IG staff receiving hazardous pay equitable to what is already offered to the CPI and BSA, and 2) the establishment of a Transparency and Public Ethics Training Institute that will provide standardized training in courses such as investigative producers and auditing. The PM's COS stated these issues were being discussed.

10. (C) Since Dr. Adel's appointment in June, we have seen him regularly engage with the PM and PM's office, something we do not see from the CPI. This may be affecting the way the PM and his office view anti-corruption efforts in Iraq. Dr. Adel and the PM are both from the Shia Dawa Party; we have been hearing in the past couple of months that they have been trying to replace others in anti-corruption positions because of their political or sectarian affiliations. One anecdotal example is from the former Ministry of Construction and Housing IG Mr. Qutaiba who was removed from his position in April due to De-Baathification allegations although he had substantial documentation showing he was not a Baath party member. IG Qutaiba said the IGs for the Ministries of Human Rights and Higher Education were also targeted because they were Sunni.

11 (C) We are stuck with a system whereby those who have protection from their Ministers have immunity or at least favorable treatment awaiting trial and everyone else can be jailed for allegations of relatively minor offenses. This issue lies not only with the CPI, but also the IGs and BSA who have been forwarding cases that lack sufficient evidence to be tried in the Central Criminal Court of Iraq (CCCI). Unlike the U.S. where probable cause is needed for any detention, in Iraq a simple allegation and witness or written statement accusing someone of wrongdoing is enough to throw someone in jail, sometimes for up to two years without seeing a judge. The encouraging news is that the anti-corruption institutions recognize this issue and have recently formed a committee to include the CPI, BSA, IGs, the CCCI, the Ministries of Justice and Interior, and the COR Integrity Committee to review and de-conflict the legislation that created each of the anti-corruption institutions. They plan to work together to improve investigation standards, showing they are at least trying to resolve these issues.

SPECKHARD